

47886

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020054-0

**CONFIDENTIAL**

Copy **Nº**

**398**

## **BIWEEKLY REPORT**

# **SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN UNDERDEVELOPED AREAS**

EIC WGR 1/182

28 January 1963

PREPARED BY THE WORKING GROUP  
ON SINO-SOVIET BLOC ECONOMIC ACTIVITIES  
IN UNDERDEVELOPED AREAS

ECONOMIC INTELLIGENCE COMMITTEE

**CONFIDENTIAL**

GROUP 1  
EXCLUDED FROM AUTOMATIC DOWNGRADING  
AND DECLASSIFICATION

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020054-0

25X1

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020054-0

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020054-0

**CONFIDENTIAL**

Summary of Events  
11-24 January 1963

Brazil's need to increase foreign sales of its primary commodities has prompted the establishment of an interagency group to coordinate commercial relations with Bloc countries. Although trade with the USSR almost doubled in 1962 over 1961, trade with other Bloc countries dropped sharply last year. Negotiations for a new trade agreement with the USSR are now underway; initial contracts have been signed for the barter of Soviet wheat in exchange for Brazilian coffee, cacao, and other products.

The USSR has extended an economic credit to Cuba for irrigation, drainage, and land reclamation projects to be undertaken during 1963. Although no financial details have been announced, the credit will cover the costs of Soviet equipment and materials and technical services. This agreement is one indication that the USSR intends to direct more of its assistance in the near future toward building up Cuba's agricultural sector and to give less emphasis to rapid industrialization.

In mid-January the USSR and the United Arab Republic signed a protocol which incorporated the "final blueprints and specifications" for the Aswan High Dam. Contracts for deliveries of Soviet machinery and equipment valued at \$15 million also were signed. Public announcements made during ceremonies marking the third anniversary of the initiation of work on the High Dam noted the progress achieved and future plans to be inaugurated. Recent information reveals that at least 700 Soviet and 17,000 Egyptian technicians are engaged in work on the Dam at Aswan.

Pakistan is considering an expansion of its economic relations with several Bloc countries. The Pakistani Minister of Commerce reportedly has stated that a trade agreement with the USSR is an "imperative necessity" in view of the "ominous implications" of the European Common Market. Negotiations may be forthcoming with Poland that will involve the purchase of several cargo ships and shipbuilding equipment on a long-term credit basis.

**CONFIDENTIAL**

~~CONFIDENTIAL~~

CONTENTS

	<u>Page</u>
I. Latin America . . . . .	1
A. Establishment of a Coordination Group for Brazilian-Bloc Trade . . . . .	1
B. Soviet Credit for Cuban Hydraulic Development . .	1
II. Middle East . . . . .	2
A. Soviet Visit for Turkish Parliamentary Delegation . . . . .	2
B. Aswan High Dam Developments (United Arab Republic) . . . . .	2
III. Asia . . . . .	4
A. Chinese Communist Aid Project in Nepal . . . . .	4
B. Relations Between Pakistan and the Bloc . . . . .	4
IV. Brief Notes . . . . .	5
Brazil and Mexico . . . . .	5

~~CONFIDENTIAL~~

25X1

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020054-0

Next 4 Page(s) In Document Exempt

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020054-0

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020054-0

**CONFIDENTIAL**

**CONFIDENTIAL**

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020054-0